

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF OKLAHOMA**

IN RE:

Sanctuary Evangelistic Church, Inc.

Debtor(s).

)  
)  
)  
)  
)  
)  
)

Case No.

12-12616-M  
(Chapter 13)

**INITIAL REPORT**

Comes Now, Sanctuary Evangelistic Church, Inc., Debtor-in-possession, and hereby submits its Initial Report as shown by Attachments A through L, consisting of 23 pages, and containing the following as indicated:

- ☒ Receipt and Certification of Understanding "Operating Guidelines and Reporting Requirements". **Attachment A.**
- ☒ Designation of Individual Responsible for Discharging Debtor's Duties. **Attachment B.**
- ☒ Designation of Individual Responsible for Financial Reports. **Attachment C.**
- ☒ Balance Sheet as of month-end immediately preceding filing. **Attachment D.**
- ☒ Profit and Loss Statement for month immediately preceding filing. **Attachment E.**
- ☒ Insurance, Tax and Cash Collateral Statements. **Attachment F.** (Including Proof of Insurance Coverage)
- ☒ Projected cash budget for first six (6) months of post petition operations. **Attachment G.**

Initial Report - Page 2 of 2

Case Name: Sanctuary Evangelistic Church, Inc  
Case Number: 12-12616-M

- ☒ Detailed listing of Accounts Receivable and an Accounts Receivable Aging Report. **Attachment H.**
- ☒ Report of Physical Inventory. **Attachment I.** (See Page 3 of 8, 6. Physical Inventory, Operating Guidelines and Reporting Requirements)
- ☒ Current Rent Roll. **Attachment J.** (See Page 3 of 8, 7. Rental Property Records, Operating Guidelines and Reporting Requirements)
- ☒ Copies of most recent audited and unaudited Financial Statements. **Attachment K.**
- ☒ Debtor's Section 345 Bank Account Certificate. **Attachment L.**

I DECLARE UNDER PENALTY OF PERJURY THAT THIS INITIAL REPORT AND ATTACHMENTS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

DATE: 1/18/13

DEBTOR(S) - IN-POSSESSION

BY: [Signature]  
Name: Milford S. Carter  
Title: President  
BY: [Signature]  
Name: DEE BROWN  
Title: TREASURER  
Address: 1228 E. 5th St  
Tulsa, OK 74120  
Telephone: 918-587-6445

**ATTACHMENT A**

**RECEIPT AND CERTIFICATION OF UNDERSTANDING  
UNITED STATES TRUSTEE  
OPERATING GUIDELINES AND REPORTING REQUIREMENTS**

CASE NAME: Sanctuary Evangelistic Church, Inc.  
CASE NUMBER: 12-12616-M

I hereby certify that I have read and understand the United States Trustee Chapter 11 "Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees". Further, I hereby agree to perform in accordance with said guidelines and requirements.

1/18/13  
(Date)

[Signature]  
(Debtor)  
President  
(Title)  
Miltord J. Carter  
(Printed Name of Signatory)

The undersigned, as counsel for the debtor, has read and reviewed with the debtor the operating guidelines and reporting requirements discussed above.

<u>1/18/13</u> (Date)	<u>Sam L. Gunter</u> Sam L. Gunter (Attorney for Debtor) OBA #17041 2448 E. 81 <sup>st</sup> St, Ste 5900 Tulsa, OK 74137 (918) 494-6868 - Telephone (918) 491-6297 - Fax sgunter@wintersking.com
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ATTACHMENT B

Case Name Sanctuary Evangelistic Church, Inc  
Case Number 12-12616-M

DESIGNATION AND ACCEPTANCE OF INDIVIDUAL  
RESPONSIBLE FOR DISCHARGING DEBTOR'S DUTIES

The Debtor(s)-in-possession in the above and foregoing case hereby designates Wilford S. Carter & Bart Brown as provided under F.R.B.P. 9001(5), as the individual responsible for discharging the duties of the debtor under 11 U.S.C. §1107 and as may be required by the Court or by the United States Trustee.

DATE: 1/15/13

DEBTOR(S)-IN-POSSESSION

BY: [Signature]  
Name: Wilford S. Carter  
Title: President  
BY: [Signature]  
Name: Bart Brown  
Title: Treasurer  
Address: 1228 E. 5<sup>th</sup> St.  
Tulsa, OK 74120  
Telephone: (918) 587-6445

ACCEPTED

DATE: 01/17/13

BY: [Signature]  
Name: Bart Brown  
Title: Treasurer  
Address: 1756 W. Woodrow St.  
Tulsa, OK 74127  
Telephone: (918) 402-0727

ATTACHMENT C

Case Name Sanctuary Evangelistic Church, Inc  
Case Number 12-12616-M

**DESIGNATION AND ACCEPTANCE OF  
INDIVIDUAL RESPONSIBLE FOR PREPARATION OF  
FINANCIAL REPORTS FOR DEBTOR-IN-POSSESSION**

The Debtor(s)-in-possession in the above and foregoing case hereby designates Burt Brown, as provided under Bankruptcy Rule 9001(5), as the individual responsible for the preparation of all financial reports as required by the Court or by the United States Trustee.

DATE: 1/15/13

DEBTOR(S)-IN-POSSESSION

BY: [Signature]  
Name: Wilford J. Carter  
Title: President  
BY: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
1228 2.5<sup>th</sup> ST.  
Tulsa, OK 74120  
Telephone: (918) 587-6445

DATE: 01/19/13

ACCEPTED

BY: [Signature]  
Name: Bert Brown  
Title: Treasurer  
Address: \_\_\_\_\_  
1756 W Woodrow ST.  
Tulsa, OK 74127  
Telephone: (918) 402-0727

**IN THE UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF OKLAHOMA  
TULSA DIVISION**

**IN RE:** )  
Sanctuary Evangelistic Church, Inc. ) Case No. 12-12616  
 ) Chapter 11  
 )  
**DEBTORS** )

**BALANCE SHEET  
OCTOBER 2012**

**COMES NOW** Debtor by and through their Attorney of Record, Jerry L. Gunter of Winters & King, Inc.  
and files their Balance Sheet, to wit;

The checking balance for account no. 3, American Heritage Bank is actually \$7.66 and has been the same  
balance since 2010. Debtor is researching as to why the Balance Sheet is incorrect concerning the stated account.

Respectfully submitted,

/s/Jerry L. Gunter  
Jerry L. Gunter, OBA # 17041  
WINTERS & KING, INC  
2448 East 81st Street, Ste 5900  
Tulsa, OK 74137-4259  
Ph: (918) 494-6868  
Fx: (918) 491-6297  
jgunter@wintersking.com

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10/09/12

Cash Basis

**Sanctuary Evangelistic Church Inc.****Balance Sheet****As of October 9, 2012**

	<u>Oct 9, 12</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1 - Peoples State Bank	6,682.23
2 - Bank of America	-3,893.58
3 - American Heritage Bank	11,308.77
<b>Total Checking/Savings</b>	<u>14,097.42</u>
<b>Other Current Assets</b>	
4 - SEC Okmulgee Bldg. & Facilities	430,000.00
5 - SEC Tulsa Bldg. & Facilities	1,116,000.00
6 - SEC Apartment Bldg.	170,545.00
7 - Presentations Systems	30,733.00
<b>Total Other Current Assets</b>	<u>1,747,278.00</u>
<b>Total Current Assets</b>	<u>1,761,375.42</u>
<b>TOTAL ASSETS</b>	<u><b>1,761,375.42</b></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Equity</b>	
3000 - Opening Bal Equity	1,747,278.00
3900 - Retained Earnings	10,715.07
Net Income	3,382.35
<b>Total Equity</b>	<u>1,761,375.42</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>1,761,375.42</b></u>

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10/09/12

Cash Basis

**Sanctuary Evangelistic Church Inc.****Balance Sheet****As of September 25, 2012**

	<u>Sep 25, 12</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1 - Peoples State Bank	8,477.47
2 - Bank of America	-3,893.58
3 - American Heritage Bank	11,308.77
<b>Total Checking/Savings</b>	<u>15,892.66</u>
<b>Other Current Assets</b>	
4 - SEC Okmulgee Bldg. & Facilities	430,000.00
5 - SEC Tulsa Bldg. & Facilities	1,116,000.00
6 - SEC Apartment Bldg.	170,545.00
7 - Presentations Systems	30,733.00
<b>Total Other Current Assets</b>	<u>1,747,278.00</u>
<b>Total Current Assets</b>	<u>1,763,170.66</u>
<b>TOTAL ASSETS</b>	<u><b>1,763,170.66</b></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Equity</b>	
3000 - Opening Bal Equity	1,747,278.00
3900 - Retained Earnings	10,715.07
Net Income	5,177.59
<b>Total Equity</b>	<u>1,763,170.66</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>1,763,170.66</b></u>

**IN THE UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF OKLAHOMA  
TULSA DIVISION**

**IN RE:** )  
Sanctuary Evangelistic Church, Inc. ) Case No. 12-12616  
 ) Chapter 11  
 )  
**DEBTORS** )

**PROFIT AND LOSS STATEMENT  
SEPTEMBER 2012**

**COMES NOW** Debtor by and through their Attorney of record, Jerry L. Gunter and files their September 2012 Profit and Loss Statement.

Respectfully submitted,

/s/Jerry L. Gunter  
Jerry L. Gunter, OBA # 17041  
WINTERS & KING, INC  
2448 East 81st Street, Ste 5900  
Tulsa, OK 74137-4259  
Ph: (918) 494-6868  
Fx: (918) 491-6297  
jgunter@wintersking.com

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10/09/12

Cash Basis

**Sanctuary Evangelistic Church Inc.****Profit & Loss**

January through September 2012

	<u>Jan - Sep 12</u>
<b>Income</b>	
<b>Gift Categories Revenue</b>	
1016 - Offering	8,950.19
1018 - Tithes	84,331.49
<b>Total Gift Categories Revenue</b>	<u>93,281.68</u>
<b>Total Income</b>	93,281.68
<b>Expense</b>	
<b>Legal And Professional</b>	
1600 - Attorney Fees	2,000.00
<b>Total Legal And Professional</b>	<u>2,000.00</u>
<b>Occupancy</b>	
1204 - Insurance Auto	294.20
1208 - Lawn Care	800.00
1210 - Leases	11,200.00
1212 - Loan Payment Expense	7,000.00
1214 - Maintenance of Building	14,792.09
1220 - Rent	70.79
1224 - Tax Property	5,534.00
1226 - Trash Service	1,057.50
1232 - Natural Gas	3,167.18
1234 - Electric	5,633.70
1236 - Telephone Service	3,526.31
1238 - Water Usage	2,384.99
1299 - Other	1,670.54
<b>Total Occupancy</b>	<u>57,131.30</u>
<b>Office Supplies</b>	
1400 - Equipment	302.66
<b>Total Office Supplies</b>	<u>302.66</u>
<b>Salaries</b>	
1108 - Health Insurance	11,094.96
1112 - Life Insurance	11,692.27
1132 - Dental Insurance	965.63
1134 - Rental Insurance	1,383.31
1136 - Home Electricity	1,225.06
1138 - Home Natural Gas	732.59
1140 - Home Water & Refuge	923.79
<b>Total Salaries</b>	<u>28,017.61</u>
<b>1700-1 - Miscellaneous Expenses</b>	
1704 - Bank Charges	1,946.54
1716 - Food Purchases	201.22
1730 - Gifts	300.00
<b>Total 1700-1 - Miscellaneous Expenses</b>	<u>2,447.76</u>
<b>Total Expense</b>	<u>89,899.33</u>
<b>Net Income</b>	<u><u>3,382.35</u></u>

ATTACHMENT F, Page 1 of 2

Case Name Sanctuary Evangelistic Church, Inc  
 Case Number 12-12616-M

**STATEMENT CONCERNING INSURANCE, TAXES  
 AND USE OF CASH COLLATERAL**

**I. INSURANCE**

A. Insurance is in effect and payments are current for coverage as indicated:

<u>INSURANCE TYPE</u>	<u>CARRIER</u>	<u>EXPIRES</u>
General comprehensive liability	<u>Guide ONE Insurance</u>	<u>10/03/13</u>
Property (Personal & realty)	<u>Guide ONE Insurance</u>	<u>10/03/13</u>
Casualty & theft	<u>NA</u>	
Workers' compensation	<u>NA</u>	
Vehicle	<u>PROGRESSIVE NORTHERN INS. CO.</u>	
Health	<u>UNITED HEALTHCARE</u>	
Health	<u>FARMERS Insurance Co.</u>	
Life	<u>Modern Woodmen of America</u>	
Life	<u>GTA Life Ins. Co.</u>	
Other: <u>Dental</u>	<u>Delta Dental Ins</u>	

B. Attached hereto are Certificates of Insurance or other proof of insurance for the above.

**II. TAXES**NA

A. **Post**-petition federal and state withholding and payroll taxes are/are not current.

B. Delinquent post-petition taxes, if any, are as follows:

Federal Withholding NA  
 State Withholding NA  
 FICA NA  
 Other NA

ATTACHMENT F, Page 2 of 2

Case Name Sanctuary Evangelistic Church, Inc  
Case Number 12-12616-M

(II. TAXES continued) NA

C. Pre-petition federal and state withholding and payroll taxes are/are not current. Pre-petition federal and state excise, sales taxes are/are not current. Delinquent pre-petition taxes, if any, are as follows:

Federal Withholding NA  
State Withholding NA  
FICA NA  
Federal Excise Tax NA  
State Excise Tax NA  
Sales Tax NA

III. CASH COLLATERAL NA

A. Cash collateral will/will not be necessary to fund Debtor's post-petition operations.

B. Debtor has/has not filed a request for use of cash collateral under 11 U.S.C. § 363 or § 364.

C. Identity of Cash Collateral.

PROPERTY

CREDITOR

MONTHLY PAYMENT

None

ATTACHMENT G

Case Name SANCTUARY EVANGELISTIC Church  
Case Number 12-12616-M

**PROJECTED CASH BUDGET**  
**FIRST 6 MONTHS OF POST PETITION OPERATIONS**

Month	Income	-	Expenses*	=	Profit/Loss
<u>Oct</u>	<u>11 700.00</u>		<u>13 971.00</u>	-	<u>2 271.00</u>
<u>Nov.</u>	<u>19 700.00</u>		<u>17 112.00</u>		<u>2 588.00</u>
<u>Dec</u>	<u>11 700.00</u>		<u>16 072.00</u>	-	<u>4 372.00</u>
<u>JAN</u>	<u>11 700.00</u>		<u>16 262.00</u>	-	<u>4 562.00</u>
<u>Feb</u>	<u>26 700.00</u>		<u>16 022.00</u>		<u>10 678.00</u>
<u>Mar</u>	<u>14 700.00</u>		<u>15 872.00</u>	-	<u>1 172.00</u>
Total	<u>96 200.00</u>		<u>95 311.00</u>		<u>889.00</u>

**\*EXPENSES**

	<u>Costs of Sales</u>	<u>Salaries</u>	<u>Taxes</u>	<u>Insurance</u>	<u>Rent</u>	<u>Other</u>
1.	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>2 410.00</u>	<u>1 400.00</u>	<u>10 861.00</u>
2.	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>2 410.00</u>	<u>1 400.00</u>	<u>13 302.00</u>
3.	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>2 410.00</u>	<u>1 400.00</u>	<u>12 262.00</u>
4.	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>2 410.00</u>	<u>1 400.00</u>	<u>12 452.00</u>
5.	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>2 410.00</u>	<u>1 400.00</u>	<u>12 212.00</u>
6.	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>2 410.00</u>	<u>1 400.00</u>	<u>12 062.00</u>
Tot.	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>14 460.00</u>	<u>8 400.00</u>	<u>72 457.00</u>

ATTACHMENT H

Case Name Sanctuary Evangelistic Church, Inc.  
Case Number 12-12616-M

DETAILED LISTING OF ACCOUNTS RECEIVABLE  
AND ACCOUNTS RECEIVABLE AGING REPORT

<u>Account</u> <u>Name</u>	<u>Total</u> <u>Due</u>	<u>Current</u> <u>(0-30)</u>	<u>Past</u> <u>Due</u> <u>(31-60)</u>	<u>Past</u> <u>Due</u> <u>(61-90)</u>	<u>Past</u> <u>Due</u> <u>(91-120)</u>	<u>Past</u> <u>Due</u> <u>&gt;120</u>
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There are no accounts receivable.

TOTAL \_\_\_\_\_

Designate with (\*) if due from insiders

## Attachment I

Furniture		Office Mach/Electm.			
Apostle MJ					
Desk	1	100	100 Copier	1	200
Chairs	3	125	375 Computer	1	200
File cabinet	1	120	120 Printer	1	100
Chests	2	175	350		
Sofa	1	250	250		
Cedar cabinet	1	350	350		
Sec. Office					
Chairs	1	125	125 Fax	1	125
File cabinets	3	110	330 Printer	1	100
Sec desk	1	300	300 Computer	1	125
Platforms	15	75	1125 Tel sys	1	600
Book Store					
Stands	2	400	Television	1	125
Cash register	1	75	75		
Desk	1	125	125		
Chair	1	50	50		
Racks	1	1000	1000		
Merc.System	1	200	200		
Display cases	2	200	400		
			0		
			0		
Fellowship Hall					
Chairs	100	40	4000 Televisions	2	5500
Metal chairs	120	20	2400		
Round Tables	8	75	600 Projection screens	1	400
8' Tables	6	30	180		
6' tables	5	30	150		

<b>Sanctuary</b>	Couches	8	125	1000 Copier 0 Speakers 0 Port audio sys 0	1 2 1	200 300 500	200 600 500
	Keyboard	2	750	1500 Sound board	1	8000	8000
	Elec Piano	1	10000	10000 Microphones	10	75	750
	Organs	2	2500	5000 Amplifiers	3	800	2400
	Drm sets	2	500	1000 Speakers	2	500	1000
	Communion furn	1	2500	2500 Seats	425	50	21250
	Pulpits	2	250	500 Computers	2	400	800
		1	1500	1500 Video screens	2	450	900
				Video Projectors	2	1500	3000
				Sound system	1	15000	15000
<b>Kitchen</b>	Dishes		500				
	Stereware		500	500			
	Chaffing dishes	8	40	320			
<b>Finance Dept</b>	Chairs	3	50	1650 Computer	1	250	250
	Desk sectional	1	1500	1500			
	File cabinets	2	125	250			
	Safes	2	400	800			

Rack	2	200	400
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**Nursery One**

Couches	2	400	800
Chairs	3	225	675
Mirrors	2	125	250
Cabinets	2	200	400
Tables	2	200	400
Conference Tables	1	750	750

**Apos Lounge**

Confer Tab		1200	0
Chairs	10	175	1750
Couches	2	350	700
Tables	4	75	300
Paintings	6	50	300

**General**

Water fount	5	110	550
Tables	32	45	1440
Ladders	2	75	150
Paintings	26	25	650

**Educational****Daycare**

Tables	22	40	880
Chairs	88	20	1760
Cubicle units	12	450	5400
Cots	50	35	1750

TOTAL

59930

67625

<b>Appliances</b>			
<b>Refrigerators</b>			
Ranges	2	400	400
St St tables	2	1500	3000
Microwaves	2	600	1200
St. St. Storage Uni	2	120	240
Freezer	1	800	1600
Washer	1	400	400
Dryer	1	200	200
	1	250	250

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ATTACHMENT L, Page 1 of 2

Case Name Sanctuary Evangelistic Church, Inc  
Case Number 12-12616-M

DEBTOR'S SECTION 345 CERTIFICATE

The following information reflects a true and accurate accounting of the Debtor's bank accounts and other cash deposits in any form with any institution. I understand that it is the Debtor-in-possession's responsibility to comply with 11 U.S.C. §345 so that all funds of the estate are fully insured at all times, and I understand separate "Debtor-in-possession" accounts are to be maintained which include a General (Operating) Account and a Tax Account (if applicable, a Payroll Account and a Personal Account).

1. The following information represents the balances of all Debtor's accounts as of the date of this Initial Report:

DEBTOR-IN-POSSESSION ACCOUNTS

Depository	Account Number	Opening Balance	Current Balance	Date Opened
<u>Peoples Bank</u>	<u>5833</u>	<u>2084.00</u>	<u>4730.56</u>	<u>10/01/12</u>

2. The following information represents the balances of all Debtor's accounts as of the date the petition was filed:

PRE-PETITION ACCOUNTS

Depository	Account Number	at Petition Date	Current Balance	Balance Date Closed
<u>Peoples bank</u>	<u>5742</u>	<u>73.30</u>	<u>6847.40</u>	<u>not closed</u>
<u>BANK of America</u>		<u>0</u>	<u>0</u>	<u>07/07</u>
<u>AMERICAN HERITAGE BANK</u>	<u>0556</u>	<u>6.71</u>	<u>6.71</u>	<u>Open &amp; inactive</u>
<u>Peoples bank</u>	<u>8519</u>	<u>340.72</u>	<u>0</u>	<u>10/01/12</u>

**ATTACHMENT L, Page 2 of 2**

**CASE NAME:** Sanctuary Evangelistic Church, Inc.  
**CASE NUMBER:** 12-12616-M

The undersigned, Debtor-in-possession, certifies that the above financial institution with whom estate funds are deposited (Depository) has been informed that the U. S. Trustee Office requests that the depository submit, on a calendar-quarter basis, a report indicating the total amount credited to each bankruptcy estate account at the end of each calendar quarter from the date relief is granted until the date the case is dismissed, converted or a plan is confirmed.

**DEBTOR(S)-IN-POSSESSION:**

BY: [Signature]  
Name: Wilford S Carter  
Title: President  
BY: [Signature]  
Name: Bert Brown  
Title: Treasurer  
Address: 1228 E. 5<sup>th</sup> St.  
Tulsa, OK 74120  
Telephone: (918) 587-6445